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September 16, 2008

AGENDA ITEM 3c

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

- I. SUBJECT:** Health Care Decision Support System Trend Information
- II. PROGRAM:** Health Benefits
- III. RECOMMENDATION:** Information Only
- IV. BACKGROUND:**

Staff will present a new Health Benefits Program Report based on member claims data from CalPERS' Healthcare Decision Support System (HCDSS). The purpose of this report is to provide the Health Benefits Committee with a standard set of health benefits program measures to inform future initiatives and key decisions. The report presents charts showing trend and other information on enrollment, premiums, utilization, and cost, as outlined below. The report also provides national and California benchmark comparisons where available. Copies of the presentation will be available at the September 16, 2008 Health Benefits Committee meeting.

Following staff's presentation, Liz Dudek, Vice-President Employer Practice Leadership from Thomson Reuters, will present comparable information on national healthcare service trends for large purchasers and employers.

HEALTH BENEFITS PROGRAM REPORT OUTLINE

A. Enrollment (Basic and Medicare)

- ◆ Year-to-year change in number of subscribers by status of active, early retiree, and Medicare, and change in the average age of members and subscribers.

B. Premiums (Basic)

- ◆ Year-to-year premium change and health plan premium trends.

C. Utilization (Basic)

- ◆ Inpatient, outpatient, and emergency room utilization trends.
- ◆ Prescription drug utilization, including overall utilization, generic, and mail order use.

D. Cost (Basic)

- ◆ Cost trend by healthcare service category (e.g., hospital and physician inpatient/outpatient, laboratory, radiology).
- ◆ Cost trend of the top 10 clinical conditions (e.g., muscle/bone disorders, cancer/benign tumors, cardiovascular disease).
- ◆ Cost trend of the top 10 prescription drugs.

V. STRATEGIC PLAN:

This item relates to Goal X strategic plan:

- “Develop and administer quality, sustainable health benefit programs that are responsive to and valued by enrollees and employers.”

VII. RESULTS/COSTS:

This is an information item only.

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